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Counsel for Debtor

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re

Case No. BK-23-10423-mkn

CASH CLOUD, INC.,
dba COIN CLOUD,

Chapter 11

Debtor.

EX PARTE APPLICATION FOR ORDER SHORTENING TIME FOR HEARING JOINT MOTION TO APPROVE SETTLEMENT AGREEMENT WITH COLE KEPRO INTERNATIONAL, LLC PURSUANT TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019

Hearing Date: N/A Hearing Time: N/A

Cash Cloud, Inc. d/b/a Coin Cloud ("<u>Cash Cloud</u>," or "<u>Debtor</u>"), debtor and debtor-in-possession in the above-captioned Chapter 11 case (the "<u>Chapter 11 Case</u>"), by and through its undersigned counsel, Fox Rothschild LLP, hereby files this *Ex Parte Application For Order Shortening Time For Hearing* (the "<u>Application</u>") on the *Joint Motion to Approve Settlement Agreement With Cole Kepro International, LLC Pursuant to Federal Rule of Bankruptcy Procedure 9019* (the "<u>Motion</u>"). This Application is made and based upon the following points and authorities, the *Declaration of Brett A. Axelrod* (the "<u>Axelrod Declaration</u>") in support hereof and attached as

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¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

Exhibit A hereto, the Attorney Information Sheet filed concurrently herewith, and the pleadings and papers on file in the above-captioned chapter 11 case, judicial notice of which is respectfully requested.

WHEREFORE, for the reasons set forth herein, Debtor respectfully requests that the Court hear the Motion on an order shortening time and grant such other and further relief as may be just and proper.

Dated this 22nd day of September, 2023.

FOX ROTHSCHILD LLP

By: /s/Brett A. Axelrod
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POINTS AND AUTHORITIES

I.

Debtor, by this Application, pursuant to Bankruptcy Rule 9006 and Rule 9006 of the Local Bankruptcy Rules for the United States Bankruptcy Court, District of Nevada (the "Local Rules"), seeks an order shortening time for notice and hearing for the Motion.

The Relief is Authorized by Rule 9006 and Meets Due Process Requirements.

Bankruptcy Rules 9006(c)(1) and (d) authorize a court to reduce the time for a hearing, and a party to file an *ex parte* motion to shorten the time for a hearing. Bankruptcy Rule 9006(c)(1) provides in relevant part:

In General. Except as provided in paragraph (2) of this subdivision, when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.

Fed. R. Bankr. P. 9006(c)(1).

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Courts have generally acknowledged that such expedited relief does not violate due process rights, even if the motion to shorten time is made ex parte. "Bankruptcy Rule 9006(c) permits the bankruptcy court 'for cause shown' in its discretion, with or without motion or notice, to reduce the notice period, and ex parte motions for material reductions in the notice period are routinely granted by bankruptcy courts." Hester v. NCNB Texas Nat'l Bank (In re Hester), 899 F.2d 361, 364 n. 3 (5th Cir. 1990); see also 10 Collier on Bankruptcy 9006.09 (16th ed. 2019 rev.); In re Gledhill, 76 F.3d 1070 (10th Cir. 1996).

Cause exists for the Court to shorten time on the Motion. Prior to the Petition Date: (i) the Debtor initiated a lawsuit against Cole Kepro International, LLC ("CKI") captioned Cash Cloud Inc. v. Cole Kepro International, LLC, Case No. A-22-854226-B, and (ii) CKI initiated a lawsuit against the Debtor captioned Cole Kepro International, LLC v. Coin Cloud, LLC, Case No. A-22-860298-B (collectively, the "CKI Litigation"). The CKI Litigation was consolidated under Case No. 22-854226-B by the Eighth Judicial District Court in Clark County, Nevada and was stayed on the Petition Date. On April 25, 2023, the Clark County, Nevada District Court entered a Civil Order to Statistically Close Case, which statistically closed the CKI Litigation.

The Parties, after months of good faith, arms-length negotiations through sophisticated counsel, have reached a resolution of their disputes, which resolution is memorialized in the Settlement Agreement. The settlement allows the parties to avoid expensive, protracted and uncertain litigation, and helps to pave a path forward for the Debtor in this case.

Copies of the Motion and related pleadings shall be served on (a) the Office of the United States Trustee; (b) counsel to the Official Committee of Unsecured Creditors; (c) Debtor's secured creditors and (d) the parties that have filed requests for special notice in the Chapter 11 Case.

Counsel Has Conferred With the Notice Parties.

Prior to filing this Motion, and pursuant to Local Rule 9006, Counsel consulted the parties as shown on the Attorney Information Sheet For Proposed Order Shortening Time, filed concurrently herewith and incorporated by reference herein.

II.

CONCLUSION

WHEREFORE, for all of the foregoing reasons, Debtor respectfully requests that the Court hear the Motion on an expedited basis, and grant such other and further relief as may be just and proper.

Dated this 22nd day of September, 2023.

FOX ROTHSCHILD LLP

By: /s/Brett A. Axelrod
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Counsel for Debtor

EXHIBIT A

DECLARATION AFFIRMING REQUESTED RELIEF

I, Brett A. Axelrod, declare under penalty of perjury that: I am competent to make this declaration under the laws of the United States and the State of Nevada; I have read the above Application for an Order Shortening Time; and the facts stated therein are true and correct to the best of my knowledge, information and belief.

DATED this 22nd day of September 2023.

By /s/Brett A. Axelrod BRETT A. AXELROD